

MINUTES
JOINT VILLAGE BOARD/SPACE NEEDS COMMITTEE MEETING
Monday, July 10, 2006

CALL TO ORDER: Mayor Gary Grasso called the meeting to order at 7:35 p.m.

ROLL CALL: Present: Mayor Gary Grasso, Trustees Bob Grela, Bob Sodikoff, Dave Allen, Al Paveza and Maureen Wott, Committee members Greg Trzupek, Josephine Goetz, Aristotle Halikias and Don Santacaterina

Absent: Trustee Dwight DeClouette

Also Present: Village Administrator Steve Stricker; Police Chief Herb Timm; Deputy Chief John Madden; and Mike McLeod and John D'Amico, of Integrated Project Management

APPROVAL OF MAY 25, 2006 MINUTES

A **motion** was made by to Trustee Maureen Wott. The motion was **seconded** by Don Santacaterina and **approved** by a vote of 9-0.

CLOSED SESSION

A **motion** was made by Trustee Bob Sodikoff and **seconded** by Don Santacaterina to go into Closed Session to discuss Acquisition of Property.

ROLL CALL VOTE was as follows:

AYES: 9 – President Gary Grasso, Trustees Al Paveza, Bob Sodikoff, Maureen Wott, Bob Grela and Dave Allen, and Committee members Greg Trzupek, Josephine Goetz, Aristotle Halikias and Don Santacaterina

NAYS: 0 – None

ABSENT: 1 – Trustee Dwight DeClouette

Motion carried by a vote of 9-0 and the Village Board and Space Needs Committee went into Closed Session at 7:40 p.m.

RECONVENED MEETING

A motion was made by Don Santacaterina to reconvene the Joint Board and Space Needs Committee open session meeting. The motion was seconded by Aristotle Halikias and approved by a vote of 9-0. The Village Board and Space Needs Committee reconvened to

Open Session at 8:25 p.m., with all Board members and Space Needs Committee members, the Village Administrator, Chief of Police, Deputy Chief Mike McLeod and John D'Amico still present.

FINANCING OPTIONS

Mayor Grasso began the discussion by indicating that, based on a review of the numbers, the purchase of the property at 7055 High Grove Blvd. did not appear to be a viable option. He asked the Board and Committee members if there was any interest in pursuing the construction of a new Police Department within the Public Works building. The Village Administrator reminded the Board and Committee members that, if they were to consider that option, they should be cognizant of the fact that there is still over 1 year remaining on the lease, with 3 years worth of options. Committee member Greg Trzupek stated that building the Police Department at the Public Works facility may be the most economical, but he would prefer keeping the building on County Line Road as a part of the campus site. Both Committee members Don Santacaterina and Aristotle Halikias agreed that the existing Public Works facility is too small and that the Police Department should be built on County Line Road as part of a campus facility, especially since the Village already owns the land at this location. Committee member Josephine Goetz stated that, even if the Village didn't own the land, her thought was that residents would want the Village to buy it and locate the Police Department at this more central location.

Trustee Bob Sodikoff stated that he agreed that there was no real savings in purchasing the property on High Grove Blvd. for the Police Department, but he felt that there would be substantial savings if the Police Department was located at the Public Works facility.

Trustee Bob Grela stated his concern with the potential political fallout, if the Police Department were built on the property across the street from the Village Hall. Committee member Josephine Goetz disagreed and stated that she felt that there would be political fallout if the Police Department were built in the High Grove Business Park, rather than in the more centrally located spot on County Line Road. Trustee Al Paveza stated that he felt that the Police Department could better serve the public at the location on County Line Road and not buried in the back on an industrial park, as would be the case if the Village were to build a Police Department in the Public Works building. Committee member Halikias agreed, stating that, if the Police Department was built in the industrial park, it would be easier for residents to complain that service was not as good as it used to be before the move.

Per the request of the Mayor, the Village Administrator presented the Board and Committee members with the highlights of his memorandum concerning financing options. He indicated that, in order to pay the cost for a new facility, wherever it may be located, the Village has three funding sources – the sale of bonds, proceeds from the sale of land and equity. He stated that the sale of bonds would have to be accompanied by a separate source of revenue to repay the debt. He stated that the two sources of revenue would be either a referendum to increase the property tax or a referendum to increase the sales tax. He stated that another source of revenue is the possible sale of land, which could generate up to \$6,700,000, if all the undeveloped vacant land the Village owns is sold, but that the problems with this revenue

source are both the timing and predictable strong opposition from neighboring residents. Finally, he suggested that the Village could use some of the \$5,900,000 in equity that is currently found in the General Fund. However, he reminded the Board and Committee members once again that, for every \$1,000,000 in equity used, the General Fund would lose \$50,000 in annual interest revenue.

The Village Administrator stated that he felt that the Village's best option at this point in time would be to consider the passage of a sales tax referendum. He stated that a ½ % increase in the sales tax would generate \$850,000 the first year and up to \$1,250,000 in just a couple of years, after Opus opens the Village Center. He stated that additional sales tax revenue would provide maximum flexibility in terms of the use of the dollars and the ability to decide on the type of Police facility the Village Board wanted without being tied down to a specific project prior to going to referendum. He stated that a sales tax referendum could be placed on the ballot in November, in order to help expedite the process. He suggested that the referendum could be sold as a "public safety" referendum, whereby the Village would attempt to solve not only the facility needs of the Police Department, but their long-term personnel and equipment needs as well. In addition, he stated that funds could also be used to hire additional Public Works employees and balance future budgets. He stated that the impact on the residents would be minimal, with only a \$0.50 increase in cost for every \$100 in goods purchased in the Village. He also stated that the Village has laid the ground work for supporting the needs of the Police Department through the creation of a Public Safety Committee and holding public safety meetings with representatives of Homeowners' Associations. He stated immediate support could be found from graduates of the Citizens Police Academy and from the Veterans Memorial Committee.

Mayor Grasso stated that the Village's revenue sources are limited and that he had asked the Village Administrator to prepare this report in order to apprise the Board of its options. He agreed that the suggested increase in the sales tax should be an option to seriously consider. Trustee Paveza stated that, although he understood the flexibility offered by the approval of a sales tax increase, he was concerned regarding the impact it might have on retailers. Committee member Santacaterina stated that retailers look at demographics and not necessarily at sales tax. He stated that the Village would be selling the concept of "public safety," which would be a strong selling point. Trustee Sodikoff felt that the Village should simply sell land and use equity and not raise taxes. Mayor Grasso stated that raising taxes would be a difficult decision but that ultimately he agreed with Trustee Wott, who earlier had stated that there was a definite need in the community for a new Police Department. He stated his position that the Village should spend some of the equity that the Village currently has, sell some of the land, especially at the Pump Center and Rustic Acres facility, and pursue a sales tax increase. Village Administrator Stricker stated his concern for tying the sales tax referendum in with the sale of land and stated that, although he felt that ultimately the Village should sell these parcels, there would be considerable opposition among residents in the adjacent neighborhoods.

After considerable discussion, Mayor Grasso attempted to summarize the discussion by asking if there was any interest in pursuing the property at 7055 High Grove Blvd. Everyone was in agreement that there was no further interest in pursuing this option.

Next, Mayor Grasso asked if any of the members present were interested in pursuing locating the Police Department in the building owned by the Village and currently occupied by the Public Works Department in the High Grove Business Park. Again, all members present agreed that there was no interest in pursuing that option any further.

Finally, Mayor Grasso asked if the members present were committed to developing a campus site along County Line Road and building a new Police Department at this location. The consensus opinion was that building a Police Department adjacent to the Village Hall was the best option available at this time.

Next, Mayor Grasso summarized the issue surrounding the possibility of a sales tax referendum and stated that there was a concern regarding how it would impact the current retail businesses in the community, as well as Opus. He reiterated his prior comments that selling some of the property and using equity should also be part of the equation.

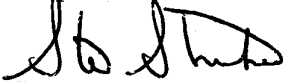
After some discussion, a **motion** was made by Aristotle Halikias to recommend to the Village Board that they start considering the possible construction of a new municipal campus, with the Police Department located adjacent to the Village Hall, and pay for this project through the sale of land, use of equity and a possible referendum to increase the sales tax by up to ½%. The motion was **seconded** by Trustee Bob Grela and **approved** by a vote of 9-0.

Village Administrator Stricker asked the Board and Committee members if they would like to have the proposal from IPM to assist the Village in hiring an architect to prepare a master plan for the Village and land adjacent to and including the Village Hall property placed on the next agenda. The members present agreed.

ADJOURNMENT

There being no further business, a **motion** was made by Don Santacaterina to adjourn the meeting. The motion was **seconded** by Trustee Maureen Wott and **approved** by a vote of 9-0. The meeting was adjourned at 9:50 p.m.

Respectively submitted,



Steve Stricker
Village Administrator

SS:bp